Functional Advisers 'Quarterback' Career Development

The Defense Acquisition Workforce Improvement Act (DAWIA) was designed to bring a greater degree of professionalism and training to the acquisition workforce. For the Secretary of Defense and the Under Secretary of Defense for Acquisition, Technology and Logistics (USD(AT&L)) to meet their acquisition, technology and logistics career planning requirements under DAWIA, the Director, Acquisition Education, Training and Career Development (AET&CD), advises them on education, training and experience requirements for each acquisition career field. But, with 12 different acquisition career tracks, how can one individual set all those requirements?

Functional Advisers (FAs) are at the center of a new process designed to assist the Director, AET&CD in this task. FAs are senior-level experts in specific acquisition career fields, and DoD proponents for career development requirements for all occupational specialties in their designated functional area.

FAs advise the USD(AT&L) in the establishment of acquisition position category descriptions, development of education, training and experience requirements and determination of career field requirements and certification levels. Annually, they certify to the USD(AT&L) that position category descriptions and the education, experience and training standards for each career field are current, complete and accurate.

FAs work with the Director, AET&CD on career development issues. They make recommendations on performance requirements working with the Defense Acquisition University (DAU) to establish appropriate courses, identify required future competencies needed in the acquisition workforce and provide needs assessments for their designated functional area. FAs also recommend initiatives to enhance universal competencies – the personal, organizational, leadership and managerial competencies required by all workforce members to apply required functional competencies effectively.

Because FAs are senior acquisition professionals with other significant responsibilities, they are assisted by an Executive Secretary who oversees necessary day-to-day coordination. Each FA also designates a Functional Integrated Product Team (FIPT) leader for each career ladder within a functional area. The FIPT assists the FA in identifying career development requirements and specifying the education, training and experience products needed to achieve them. It consists of the FA-designated leader, one functional frontline expert from each Service, selected by the Service Acquisition Executive and Service Defense Acquisition Career Manager (DACM); one functional frontline expert from the Defense Logistics Agency, Defense Contract Management Agency or other DoD agency; and a DAU representative selected by the DAU president (usually the program director or a DAU education specialist). Subject matter expert advisors also may be selected on an ad hoc basis.

FIPT performance requirements are submitted by the FA to the Career Management Overarching Integrated Product Team (CMOAIPT), led by the Director, AET&CD. Other members of the CMOAIPT are the Service DACMs, DAU president; the Director, Acquisition, Technology and Logistics Career Management; the Deputy Assistant Secretary of Defense for Civilian Personnel Policy and the Deputy Assistant Secretary of Defense for Military Personnel Policy. FAs are the principal advisors to CMOAIPT. This team, in turn, makes recommendations to the DAU president regarding performance requirements for new courses or major revisions to existing courses and to the Director, AET&CD for career paths, experience, education and training standards. These officials make final recommendations to the USD(AT&L).

But, the new process all starts with the FA, the functional expert in touch with both headquarters and the field. At a November 3, 2000 ceremony, then-Deputy Under Secretary of Defense for Acquisition Reform, Mr. Stan Soloway, formally appointed the Functional Advisors, saying, "It is your role to take inputs from our proponents – both in the headquarters and in the field – and evaluate them for inclusion in our career development program. You are the quarterback of our education, training and career development requirements generation process."

As acquisition management, and the workforce that manages it, continues to change, the FAs' vigilance in determining what universal and specialized requirements are necessary will become increasingly important.

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In this issue...

DoD Transitions to ISO 9001:2000

Mr. David Oliver, while Acting Under Secretary of Defense for Acquisition, Technology and Logistics, signed a memorandum on contractor transition to the new ISO (International Organization for Standardization) 9001:2000 Quality Management Systems – Requirements. The memorandum authorizes a streamlined transition process for those contractors that elect to use the new ISO 9001:2000 on existing DoD contracts.

ISO 9001 is identified in the Federal Acquisition Regulations as an example of a higher-level quality standard that meets the Government's requirements. Most contractors transitioned to the 1994 edition of the ISO 9000 quality standards a few years ago when DoD phased out MIL-Q-9858 and MIL-I-45208 in favor of commercial practices and standards. Introduced in 1987, and revised in 1994 and 2000, ISO 9001 is used by commercial industries around the world.

ISO 9001:2000, published in December 2000, may be applied for internal application by organizations or for contractual purposes. It incorporates lessons learned from use of the earlier versions, and combines ISO 9001, 9002, and 9003 into one document. The ISO 9001:2000 edition cancels and replaces the 1994 editions of ISO 9001, 9002 and 9003. Among other improvements, the ISO 9001:2000 emphasizes monitoring of customer satisfaction. Additional information on the new standard may be found on the web at *http://www.bsi.org.uk/iso-tc176-sc2* and *http://www.iso.ch*.

Mr. Oliver's memorandum directs contracting officers to allow contractors and subcontractors to transition to the new standard on existing DoD contracts with "no change in price, fee, cost or contractual product or service requirements." In addition, the memo states that DoD should "encourage contractors to notify management councils or administrative contracting officers of their transition strategy." The Defense Contract Management Agency, as the cognizant contract administration office, is authorized to monitor contractor transition and implementation of ISO 9001:2000, and to approve and issue appropriate modifications to associated contracts.

This new process approach will allow Defense contractors to establish an improved quality management system based on meeting customer needs. To view Mr. Oliver's memo, go to *http://www.acq.osd.mil/ar/doc/iso9001-2000ltr031901.pdf*.

—*AR*—

How to Reach AR Today

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Attention Customers: DoD EMALL is Now Open for Business

When Defense acquisition and logistics personnel have some requirements, they often go to the DoD EMALL. Managed and operated by the Joint Electronic Commerce Program Office, DoD EMALL is a fundamental component of the Department's overall acquisition reform and electronic commerce strategy. DoD EMALL, initiated in January 1998, provides "one stop shopping" for Defense individuals to quickly and easily locate, compare, order and provide payment for items based upon quality, price and availability.

DoD EMALL is a "point, click and ship" internet-based system that eliminates the traditional labor-intensive process of identifying sources of supply and allows procurement through a Government purchase card, a commercial credit card issued to individual offices and organizations for official purchases. It streamlines the traditional procurement process by reducing delivery time for commercial items from weeks and months to as quickly as 24 hours; and, unlike traditional shopping malls, DoD EMALL is "open for service" 24 hours a day, 7 days a week. DoD EMALL uses a single search engine, allowing consolidated ordering from multiple supply sources. The purchaser can easily compare all ordering options and make decisions based on the best overall value.

The long-term advantage of DoD EMALL is that it shifts the acquisition paradigm away from repetitive small purchases to the establishment of broad contractual arrangements, allowing Government purchase card customers to place delivery orders against established contract vehicles. This strategy leverages the Department's buying power through volume buying discounts and streamlines the procurement process by eliminating transactions and paperwork.

A DoD EMALL transaction cost is estimated to be $11.31, while a manual purchase ranges

Price-based Acquisition Offers Value and Affordability

Much of what the Department of Defense accomplishes within the "Revolution in Business Affairs" depends on the acquisition community taking advantage of the technology and management lessons found in world-class companies that have maintained the U.S. leadership position in global commerce. Price-based Acquisition (PBA) is one of a number of strategies that DoD is pursuing in a move towards greater access to commercial technologies, products and processes, as well as gaining greater efficiency and effectiveness from traditional defense suppliers.

In response to Section 912(c) of the Fiscal Year 1998 National Defense Authorization Act, a PBA study group was established by the Under Secretary of Defense for Acquisition, Technology and Logistics (USD(AT&L)) to analyze implementation of PBA within the Department. The study group's final report, released in November 1999, defines PBA as "a way for DoD to buy goods and services that does not rely primarily on a supplier providing cost data. PBA is a way of doing business that begins with identification of a need and flows through post award activities."

Acknowledging that the study group could not reach consensus on many of the report's recommendations, the USD(AT&L) released a memo in November 2000, calling for the Department to continue investigating PBA concepts. The memo requests that each Service Acquisition Executive

and the Ballistic Missile Defense Organization Acquisition designate at least three programs to use as test beds for gaining more insight into the application of PBA in research and development and life-cycle support contracts.

The USD(AT&L) memo further states that an implementation team, made up of representatives from the Office of the Secretary of Defense and the Services, will be established to provide assistance, define metrics and report on the progress of each program.

Results and lessons learned from each program will provide the framework for a PBA guidebook and knowledge management communities of practices available throughout DoD. Additionally, the Deputy Under Secretary of Defense for Acquisition Reform is developing distance-learning based training on PBA, and Defense Acquisition University is adapting its curriculum to include PBA principles and techniques.

DoD normally purchases goods and services using cost-based contracts built upon actual or projected costs. In a performance-based business environment, the emphasis shifts from cost to price and other best value criteria, such as quality, technology, service, and total system value.

In a price-based environment, market forces and business initiatives determine the price of a product or service, and management is based on performance parameters. In addition, within the

price-based environment, there is a strong emphasis on vendor/buyer integration, similar to DoD civil-military integration. Despite the differences in operating environments, price-based acquisition is achievable in DoD and the private sector alike, and can produce the following benefits:

- Provides best value goods and services from a globally competitive national industrial base.
- Reduces manufacturing and management costs.
- Eliminates unnecessary direct and indirect cost drivers.
- Improves cost/schedule/performance/affordability.
- Eliminates distinction between doing business with the government and other buyers.
- Promotes long-term vendor relationships.
- Reduces need for oversight.

The recommendations in the PBA final report cover a broad spectrum of acquisition strategies — from early program planning and requirements definition, through contract execution. Many recommendations can be implemented today, but others may require regulatory or statutory changes. To view the PBA final report, go to *http://www.acq.osd.mil/ar/doc/pbarpt.pdf*. The USD(AT&L) memo is located at *http://www.acq.osd.mil/ar/doc/pba112900.pdf*.

—AR—

DoD Expands Use of Electronic Commerce with WAWF

The Defense Department is blending the expertise of the business and technology worlds and adopting electronic commerce as its primary means of transaction. The Wide Area WorkFlow (WAWF) is one example where electronic commerce is not automation for its own sake, but a way to increase efficiencies by using best practices of the commercial sector. With WAWF, DoD can reduce processing costs, improve data accuracy, eliminate lost documents, and create secure electronic transactions that meet regulatory requirements.

WAWF is a web-based document management tool that allows vendors to submit their invoices and receiving reports (DD250s) electronically to DoD and have them routed through a workflow system for inspection, acceptance, receiving and payment.

The paper-based DoD invoicing system relied on labor-intensive redundancies. It involved processing three documents manually: the contract, the receiving report and the invoice. The volume of paper was immense, and the processing time

was lengthy. WAWF, developed and managed by the Joint Electronic Commerce Program Office, has the potential to both change this process and bring it into the internet age.

Both DoD contractors and authorized Defense personnel can quickly generate, capture and process payment documents electronically, since financial, acquisition and logistics systems will be integrated. By allowing real-time input from both DoD and contractor parties, WAWF will prevent redundancy and achieve greater efficiencies.

The Defense Contract Management Agency is currently conducting a WAWF Pilot Test as a functional proof of concept. The Pilot Test is being conducted to:

- Validate/identify business practice impacts and metrics
- Determine adequacy of training
- Identify issues which potentially impact future implementation
- Capture lessons learned
- Obtain Program Contracting Office (PCO)/ Program Management Office (PMO) buy-in

- Provide feedback for deployment recommendations

The pilot deployment of the WAWF system will take place at DCM Boeing - Philadelphia, DCM Cedar Rapids, DCM Raytheon-Tucson, DCM Petersburg, DCM Philadelphia, and DCM Phoenix. The pilot is currently being restricted to web-based interactive invoice and DD250 entry, source inspection and acceptance and Mechanization of Contract Administration Services paid contracts. Training at each pilot site includes a two-day class and a combined Electronic Commerce Resource Center (ECRC) and District Field Support Team. The nationwide network of 17 ECRCs provide hands-on WAWF workshops.

With WAWF, DoD is adapting to a rapidly changing global marketplace by adopting the newest electronic tools of commercial business.

For more information on WAWF, visit *http://www.dcma.mil/onebook/9.0/9.5/WAWF-RA.htm*, or for information about ECRC training in WAWF, go to *http://www.ecrc.ctc.com/*.

—AR—

Who's Who in the Key Acquisition, Technology and Logistics Workforce?

For the past few years, the Department of Defense has attempted to get a better handle on the size and makeup of the key acquisition, technology and logistics workforce (AT&LWF). This has not been an easy task. "The Refined Packard Count," released in February 2001, is the third in a series of reports initiated by the Office of the Under Secretary of Defense for Acquisition, Technology and Logistics. In order to effectively manage, the Department believes it is essential to define and measure the workforce.

Using the Packard Count approach enhances the Department's ability to manage its most critical asset, the AT&LWF, and provides a more precise understanding of the activities and skills mix within this workforce. It gives the Department the insight required to plan for the recruitment, retention, and requisite training and education of the key AT&LWF. The count also allows DoD to target specific segments of this workforce for career planning, training, and education in support of new acquisition, technology and logistics initiatives, and to identify the skills required for the 21st century.

In response to the requirement contained in Section 912(b) of the National Defense Authorization Act for Fiscal Year 1998, the key AT&LWF is uniformly identified based on an updated and revised version of an approach developed by the 1986 Packard Commission. The workforce count was "refined" in recent years due to congressional criticism that DoD lacked a consistent, Department-wide approach for determining workforce size and skill sets. An Acquisition Workforce Identification Working Group was formed to facilitate the count process across the Department, and to make refinements to the model so that the workforce determination would be as consistent and verifiable as possible.

Based on Defense Manpower Data Center (DMDC) data, the AT&LWF total is 135,014 — including 120,139 civilian and 14,875 military personnel — as of September 30, 2000. The three largest civilian occupational specialties are Engineers with 36,790; Contracting with 19,078; and Management with 15,567. The AT&LWF is also broken down by organization: Army with 40,080; Navy with 41,373; Air Force with 28,959; and the Fourth Estate (Defense Agencies) with 24,602.

The count categorizes people according to their occupational designation as well as the nature of their organizations. For civilians, the model includes three categories of occupations (people and positions) and two categories of DoD organizations, as follows:

· Personnel in Category I (with 24,110 personnel) are in such occupations as contracting or program management and are presumed to be performing acquisition-related work regardless of where they are located in the Department. As a result, all personnel in these occupations are counted as part of the key AT&LWF.

· Personnel in Category IIA (with 85,454 personnel) are in occupations such as electronics engineering or computer specialist. They are counted only when they are serving in acquisition-related organizations (for example, the Army or Air Force Materiel Commands).

· Personnel in Category IIB (with 6,609 personnel) are in occupations such as space science or microbiology. They are counted only when they are found in technology-related organizations such as the Office of Naval Research or the Army Research Lab.

· Category III adds flexibility to the model by allowing defense components to either add or delete personnel to improve the accuracy of the count.

For military personnel, all officers located in acquisition, technology, or logistics-related organizations are counted. However, enlisted personnel are not counted unless a component chooses to add them using the Category III capability.

For more information on the key AT&LWF "Refined Packard Count for September 2000 DMDC Data," go to *http://www.acq.osd.mil/ar/doc/atwfcount.pdf*.

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DoD EMALL Program

(continued from page 2)

between $125 and $175 according to a Morgan Stanley Study. In FY 1999, there were close to 800,000 manual purchases.

DoD EMALL helps facilitate the transition to electronic commerce, cutting overhead and contracting costs, eliminating middlemen and making DoD more customer-friendly to businesses large and small — many of which had previously found it difficult and expensive to do business with the Department. DoD EMALL provides the following additional benefits to customers and vendors:

Customer Benefits:

· Assurance of ordering against established contractual vehicles and compliance with federal regulations

· Desktop access to product information (i.e., technical data, spec sheets, images, etc.) and product availability

· Single point of entry, search and order across all electronic sources

· Convenient payment mechanisms

· Increased buying office productivity

Vendor Benefits:

· Uses the vendor's business data: no need to update government databases

· Lowers the transaction cost of vendor and customer transactions

· Uses the vendor's commercial business practices

· Uses familiar commercial payment mechanisms

Currently, there are 17 commercial catalogs and 316 direct vendor delivery contracts offering 2 million electronic and hardware items, 2.3 million Defense Logistics Agency managed commodity items, and 8 million information technology items. Tremendous progress has already occurred as sales increased from $51.5 million in FY 1999 to $143 million in FY 2000. Moreover, the number of registered users increased from 1,078 in FY 1999 to 2,776 in FY 2000.

The DoD EMALL future represents an unlimited number of storefronts and includes all Defense electronic catalogs throughout the military components. For more information on the DoD EMALL program, go to *http://www.emall.dla.mil*.

—AR—

Contracting for the Rest of Us: A Guide for Non-contracting Personnel

As cross-functional business teams become more common throughout DoD, contracting and non-contracting personnel working together will need to speak the same language. For project team members who do not speak "contract-ese," help has arrived.

The Office of the Assistant Secretary of the Navy, Research, Development & Acquisition (RD&A) Acquisition and Business Management recently released a guide to introduce non-contracting personnel to the basics of contracting. "Contracting for the Rest of Us: Some Basic Guidelines" outlines fundamental principles of contracting and some "do's and don'ts" of the contracting process.

The guide identifies fundamental principles of contracting and explains the interplay between the programs and contracts groups. The guide outlines three contracting phases — Acquisition Planning; Contract Formation; and Execution and Sustainment — in some detail. Acquisition planning covers the determination and analysis of need, extent of competition, source selection planning and solicitation terms and conditions (planning). Contract formation covers the solicitation of offers, source selection and contract award. Execution and sustainment covers the initiation of work and modification, design and production assurance, payment and accounting, special terms, termination and contract closeout.

Finally, "Contracting for the Rest of Us: Some Basic Guidelines" identifies common contracting traps and resources to help with the basics. It has information for all segments of the acquisition workforce, including seasoned and new personnel. Copies of the guide can be downloaded through the Navy's Acquisition and Business Management web site at *http://www.abm.rda.hq.navy.mil/ctrrestofus.pdf*.

A CD version of the guide is available through the Deputy for Acquisition and Business Management, Office of the Assistant Secretary of the Navy (RDA) by contacting Bob Johnson at *Johnson.Robert@hq.navy.mil*.

—AR—

Web-based Acquisition Reform Curriculum Fills Training Gaps

Continuous learning for the acquisition, technology and logistics workforce has long been a priority of DoD leadership. The Defense Acquisition Workforce Improvement Act and "Reform Through Learning: USD(AT&L) 1998 Policy on Continuous Learning for the Defense Acquisition Workforce" established a certification program and a biennial professional development requirement. This gives the defense acquisition, technology and logistics workforce one of the most comprehensive career development programs in the federal government. The Acquisition Reform Communications Center (ARCC) is helping by providing an "eCatalog" of courses at *http://www.dau.mil/arcc/index.htm*.

While the 1998 policy is oriented towards keeping current in a discipline, workforce members need to remain current with the Department's acquisition, technology and logistics processes and practice changes. To ensure that the workforce has the opportunity to keep up with the latest initiatives policy and process improvements, functional advisers are working within their respective areas to identify current, relevant acquisition initiatives focused training material for the ARCC. The ARCC publishes the "eCatalog's" up-to-date distance learning opportunities. The Office of the Deputy Secretary of Defense for Acquisition Reform (ODUSD(AR)) has provided the ARCC with three recently released distance learning modules for the Defense Acquisition, Technology and Logistics Workforce:

· The Fundamentals of Integrated Product Teams
· Integrating Commercial Practices with Government Business Practices
· DoD 5000 Series Resource Center

ODUSD(AR) also posted on the ARCC the broadcast: "The New 5000: A Blueprint for Future Acquisitions." Among the upcoming distance learning topics, ODUSD(AR) is developing: Use of Performance-Based Payments, Other Transactions and Commercial Item Acquisition (FAR Part 12).

The ARCC continues to add new learning opportunities, so keep going back for the latest in learning and acquisition initiatives training!

—AR—

DoD Clarifies Changes in Section 808 Educational Requirements

The Office of the Under Secretary of Defense for Personnel and Readiness (OUSD(P&R)) issued a memorandum on March 21, 2001 to clear up confusion over new educational requirements for DoD personnel in the contracting career field. The memo provides clarifying guidelines to follow through with Congress' intent, which is to grandfather those in current contracting positions.

Section 808 of the National Defense Authorization Act for Fiscal Year 2001 requires contracting personnel in GS-1102 or comparable military positions to have a bachelor's degree and at least 24 credit hours of business-related courses from an accredited institution of higher education. The required hours may be completed in any of the following disciplines: accounting, business finance, law, contracts, purchasing, economics, industrial management, marketing, quantitative methods, and organization and management.

The OUSD(P&R) memo clarifies the intention of the new law, stating, "It is the Department's view that this requirement applies only to new military and civilian entrants as of October 1, 2000." The memo further states that civilian and military personnel in DoD contracting positions on or before September 30, 2000, are excluded from this new requirement. This means that "grandfathered" personnel can take other contracting positions or have the opportunity to be promoted without meeting the new requirements.

Section 808 of the National Defense Authorization Act for Fiscal Year 2001 revises the educational requirements for contract specialists under the 1990 Defense Acquisition Workforce Improvement Act (DAWIA). DAWIA established education and training standards for the acquisition and technology workforce. To view the OUSD(P&R) memorandum, go to *http://www.acq.osd.mil/ar/doc/section808-1102-032101.pdf*.

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'Product Support for the 21st Century'

In recent years, DoD has done much to transform its logistics systems into integrated supply chains driven by modern information technologies and proven best business practices from the commercial sector. Despite some progress, DoD continues to face daunting challenges in its efforts to truly transform its business and logistics practices and to meet the requirements set forth in the "Revolution in Business Affairs."

As required by Section 912(c) of the Fiscal Year (FY) 1998 National Defense Authorization Act, studies were conducted to help the Department gain insight, in an integrated, across-the-board manner, into areas where reform initiatives should be focused.

A report released in September 2000 follows up on an earlier Section 912(c) study on product support. "Product Support for the 21st Century," released in July 1999, defined product support as "the package of support functions necessary to maintain the readiness and operational capacity of weapons systems, subsystems and support systems… The source of the support may be organic [within DoD] or commercial, but its primary focus is to optimize customer support and achieve maximum weapon system availability at the lowest total ownership cost." It established a three-phased migration to a customer-focused product support environment throughout DoD over a seven-year period, using best commercial practices.

"Product Support for the 21st Century: A Year Later" identifies progress made over the last year, initial lessons learned, and required near-term actions and milestones in implementing re-engineered product support practices within DoD.

This update report lists the following accomplishments during Phase I — the "get ready" phase for pilot programs and cognizant policy offices:

· Solicited and incorporated warfighter comments and concerns on the product support implementation strategy.
· Completed a detailed survey of the United States Central Command Area of Responsibility and documented current processes, delivery performance and key challenges.
· Established 30 pilot programs to test innovative product support practices and conducted quarterly forums of the pilot program managers to exchange approaches and lessons learned.
· Defined cost and performance baselines for the pilot programs.
· Assessed policy and operational implications of increased contractor support on the battlefield during the Focused Logistics Wargame (FLOW) '99.
· Demonstrated integration of cross-platform support at the product command level within the United States Tank-automotive and Armaments Command and Naval Sea Systems Command.
· Expanded on the initial Defense Logistics Agency prime vendor efforts to form strategic supplier alliances.
· Documented functional requirements for managing product support data and information.
· Defined an appropriate process that considers all relevant regulations and statutes to evaluate industry-proposed product support innovations.
· Integrated key aspects of customer-focused product support with acquisition life-cycle processes.
· Established a product support virtual integrated product team.

Implementation efforts in the first year also identified four lessons learned:
· Warfighter flexibility. Product-centered support strategies must be structured to afford sufficient flexibility to allow warfighter customers to respond to changing operational requirements.
· Legacy systems. Imposition of a contractor integrated product support strategy on existing weapon systems is exceptionally difficult at the system level. More promising strategies include major subsystem strategies or major upgrades.
· Program manager accountability. Program managers are unwilling to accept responsibility for life-cycle costs and readiness without commensurate insight and control over resources. Current budgeting and financial management practices diffuse responsibility across numerous organizations.
· Financial processes. Existing financial processes reinforce functional stovepipes and inhibit functional integration to improve customer service. Existing financial management practices must be revamped to enable single-point accountability for costs and outcomes.

The first year of product support implementation strategy has created some immediate next steps:
· Issuance of product support guidance to help program managers and the logistics workforce assess and develop performance-based logistics strategies.
· Development of quantitative-based methodology to assess pilot program results prior to proceeding into Phase III.

UPCOMING EVENTS

The **10th Annual American Institute of Aeronautics and Astronautics/ Ballistic Missile Defense Office (AIAA/ BMDO) Technology Conference and Exhibit** will be held **July 23-26, 2001 in Williamsburg**, **VA**. The conference is aimed at scientists, design and test engineers, technical managers, and program managers from government, sensor and weapon manufacturers, suppliers, developers of subsystems and piece-part components, and academia. For more information, go to *http://www.aiaa.org* and click on "Conferences and Workshops" under "Calendar of Events."

The **National Contract Management Association (NCMA) West Coast National, "Acquisition Reform Next Generation,"** will be held **July 19-20, 2001** at the **Los Angeles Airport Marriott, Los Angeles, CA**. Among the discussion topics will be new legislation, the future of the acquisition and contracting professions, Wall Street's, the press' and Capitol Hill's views on the Defense industry, and Performance-Based Service Contracting. Go to *http://www.ncmahq.org/calendar/ wcnational01.html* for more information.

ARToday

DoD Acquisition Reform Efforts Result in Dramatic Gains in Supplier Satisfaction

Satisfied customers are the mainstay of any successful business or government endeavor. Results from a recent survey confirm that DoD acquisition reform efforts have significantly improved Defense supplier satisfaction.

In 1999, the President's Management Council conducted an unprecedented, national assessment of customer satisfaction with the federal government by using an objective methodology called the American Customer Satisfaction Index (ACSI). The 30 agencies selected represent 90 percent of the federal government's interaction with the public. The ASCI index provides each federal agency with a numerical score from 0 to 100 based on customer expectations, perceived quality and perceived value. The index provides a solid baseline for comparing government services among different agencies and with the private sector, as well as a means for measuring progress in the future.

When the customer survey was repeated in 2000, the results showed significant improvements for DoD. The overall 2000 ASCI score for Defense suppliers was 62, eight points higher than in 1999. The improved score is a true accomplishment in that it is the largest point improvement among the 30 federal customer segments. A key factor in the higher score was the rise from 1999 to 2000 in the "index of contractor trust." It improved seven points for DoD with a score of 76.

The 2000 survey identified three "activities that drive satisfaction." These include providing information that contractors need to do business with DoD ("Business Information"), establishing a business relationship with each contractor ("Establish Relationship"), and then maintaining that business relationship on a long-term basis ("Maintain Relationship"). All activities that drive satisfaction have improved significantly over 1999:

· Business Information improved to a score of 62 (eight points higher)
· Establish Relationship improved to a score of 65 (nine points higher)
· Maintain Relationship improved to a score of 61 (six points higher)

DoD suppliers were also surveyed on "major drivers of satisfaction." These include "customer expectations" of the overall quality of DoD as a business partner, and the "perceived quality" of DoD as an agency with which to do business. The 2000 survey results also showed DoD gains from 1999:

· Customer Expectations improved to a score of 65 (five points higher)
· Perceived Quality improved to a score of 69 (eight points higher)

A recent memo from the Office of the Under Secretary of Defense for Acquisition, Technology and Logistics (OUSD(AT&L)) reaffirms the Department's commitment to assuring customer satisfaction. The memo states that the survey results "indicate that our acquisition reform and change management initiatives have dramatically improved Defense supplier satisfaction." Nevertheless, the OUSD(AT&L) believes there is still room for improvement in 2001, "The [2000] survey shows the level of supplier trust is moderately high and willingness of suppliers to work on their strategic business relationship with us is very high. This means that the environment for continued improvement of satisfaction is good."

The data indicated that our suppliers' view is that DoD acquisition reform efforts have made significant progress. For more information on the supplier satisfaction survey, including the USD(AT&L) memo, go to *http://cmckc.meridianksi.com/kc/announce/docs/dod_scores_dramatic_gains_in_sup.htm*.

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Product Support

(continued from page 6)

· Implementation of output-driven product support strategies with appropriate enabling financial mechanism on at least three current pilot programs.
· Testing of time-definite delivery standards and customer wait time standards during the Bright Star FY'01 exercise.
· Assessment of the impact of multiple product support strategies on operational capabilities during FLOW'01.

Product support reengineering actions of the past year have made significant progress in enhancing warfighter agility, improving customer service and integrating logistics chains. For the "Product Support for the 21st Century: A Year Later" report or the original 1999 study report, go to *http://www.acq.osd.mil/ar/section912.htm* and scroll down to "Product Support."

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AR Online

New Look, Same Information: The Deputy Under Secretary of Defense for Acquisition Reform web site has a new look! Get the same up-to-the-minute acquisition reform information with a new twist. Check out the redesigned site at *http://www.acq.osd.mil/ar.*

The Defense Systems Management College Logistics Management Department has developed an online acquisition and logistics reform initiative database. It consists of over 267 Advanced Program Management Course student research papers covering over 52 different reform initiatives. Access this online knowledge base by going to *http://www.dau.mil* and selecting "DSMC Campus" from the home page. Then, select "Information Dissemination," followed by "Logistics Resources," and, finally, "Student Research Papers." Happy searching!

The Packaging Pilot Program is online! Learn about this innovative industry/government joint program to get purchases to their destinations intact, where and when they're needed. From lessons learned to information on participation, this page has everything you need on packaging. Go to *http://www.acq.osd.mil/ar/package.htm.*

The Defense Acquisition University will educate your Defense industry colleagues online, tuition-free! To enhance the skills of the Defense Industry acquisition workforce, several courses have been available online for industry students, beginning in Fiscal Year 2001. For more information, go to *http://www.dsmc.dsm.mil/registrar/industry.htm.*

I-Mart is an online market research tool with step-by-step instructions on the market research process and includes the DoD/Federal Acquisition Institute Market Research Course. Access I-Mart through the "Commercial Advocates Forum" on the AR web site or at *http://www.imart.org.*

These and all web sites spotlighted in this column can be linked directly from our "Other AR Sites" page on the DUSD(AR) web site at *http://www.acq.osd.mil/ar.* It's the most comprehensive listing of AR-related sites anywhere on the web. . .

Bookmark it!

Virtual Technology Exposition (VTE)

Virtual Technology Exposition (VTE) provides the defense community with information on the latest technological advancements from the defense and commercial sectors. Access to this information will enable program managers to better integrate advanced research into more extensive developmental activities and reduce product life-cycle costs. It is also a good source for our operational requirements community. The new web site *https://vte.dtic.mil* is provided by the Deputy Under Secretary of Defense for Science and Technology (S&T), and can be accessed by U.S. Government agencies and their contractors; additional access permissions are granted on a need-to-know basis.

VTE provides the S&T community, industry, academia, and the acquisition and requirements community with advanced browse technology, full-text search capabilities, multimedia tools, the ability to submit information, and e-mail services that let users know of updated information.

VTE contains reference information, points of contact, descriptions of technology advancements, articles from professional journals and references to related web sites on a wide variety of subjects.

VTE is continually expanding its database of information on emerging technologies, and as it matures, its advanced features enable users to:

· Assist program managers to plan for future technology upgrades
· Monitor commercial technology and product development
· Look for technologies that show promise in enhancing military capabilities
· Select technologies to either leverage or develop with their own investments
· Access information that can lead to developing and refining operational requirements
· Check resource availability for alternative assessments analysis
· Improve information to better leverage ongoing and future technology development
· Assist industry in planning for future business opportunities
· Show research efforts to a broader audience.

VTE will also provide information about international research activities through an interface with an international technology web site.

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